



July 10, 2012

Registration and Title Bulletin # 024-12
Registration and Title System

TO: All County Tax Assessor-Collectors

SUBJECT: Procedure for Handling Hot Checks from Dealers

PURPOSE

To provide RTS processing instructions for instances in which a check from a motor vehicle dealer is returned to you due to insufficient funds.

DETAILS

The procedure below should be used when your office receives notification of insufficient funds for a check submitted by a motor vehicle dealer for one or more transactions. This will allow your office to be credited for the appropriate amount without penalizing the purchaser by flagging their record with an “insufficient funds” remark.

COUNTY ACTION

Please distribute this information to your staff as appropriate.

- County staff should follow standard county insufficient funds procedures by reporting non-payment to the District Attorney's office, local Sheriff's office, or other appropriate office.
- Your office should also notify the Texas Comptroller of Public Accounts to inform them of the sales tax portion of the transaction.
- Go to the RTS Accounting menu, select “Hot Check Credit,” and input the VIN to select the vehicle. From the Hot Check ACC004 screen, enter the required fees (Title, Registration, Additional Fees [Road & Bridge, Child Safety and Mobility Fee], Automation, Reg Fee-DPS, etc.).
- If there is more than one vehicle on the dealer's transaction that results in insufficient funds, the above procedure should be followed for all vehicles covered by the transaction.
- After 48 hours, the county should request that their Regional Service Center remove the insufficient funds remark from the system. If there was more than one vehicle on the dealer's transaction that results in insufficient funds, the county should request insufficient funds remarks be removed for all vehicles covered by the transaction.

CONTACT

If you have questions, please contact your local TxDMV Regional Service Center.

Sincerely,

A handwritten signature in blue ink that reads "Randy Elliston".

Randy Elliston, Director
Vehicle Titles and Registration Division